

jnelson@regstaff.sc.gov

Jeffrey M. Nelson Chief Counsel & Director of Legal Services

April 12, 2018

VIA ELECTRONIC FILING

Jocelyn G. Boyd, Esquire Chief Clerk & Administrator Public Service Commission of South Carolina 101 Executive Center Drive, Suite 100 Columbia, South Carolina 29210

Re: Joint Petition of Aiken Electric Cooperative, Incorporated; Tri-County Electric Cooperative, Incorporated; and South Carolina Electric & Gas Company for the Assignment and Reassignment of Territory in Calhoun, Lexington, and Richland Counties and Approval of an Agreement to Limit Corridor Rights

Docket No. 2018-59-E

Dear Ms. Boyd:

Please allow this letter to serve as notification that the Office of Regulatory Staff' ("ORS") has reviewed and does not object to the filing submitted by Aiken Electric Cooperative, Incorporated ("Aiken Electric"); Tri-County Electric Cooperative, Incorporated ("Tri-County"); and South Carolina Electric & Gas Company ("SCE&G") (collectively, the "Parties") for the Assignment and Reassignment of Territory in Calhoun, Lexington, and Richland Counties and Approval of an Agreement to Limit Corridor Rights ("Joint Petition").

Under S.C. Code Ann. § 58-27-610(1) (2015), the Public Service Commission of South Carolina ("Commission") may reassign a portion of previously assigned service areas upon agreement of the affected electric suppliers. The Joint Petition includes the request to (A) assign and reassign various territories in Calhoun County between Aiken Electric, Tri-County, and SCE&G, (B) assign and reassign various territories in Lexington County between Aiken Electric, Tri-County, and SCE&G, (C) assign and reassign various territories in Richland County between

Tri-County, and SCE&G, and (D) limit "corridor rights" in specified areas in Calhoun, Lexington, and Richland Counties.

Under S.C. Code Ann. § 58-27-620(8) (2015), the Commission may approve agreements between electric suppliers concerning corridor rights. The Parties request approval of their agreement not to assert corridor rights outside the territory assigned to them in the area described in the Joint Petition.

The Parties indicate their agreement resulted from lengthy and good faith negotiations, the desire to avoid wasteful duplication of electric distribution lines, and to operate those systems safely. In addition, the Parties have given careful consideration to system economy, service reliability and good utility practice, efficiency and safety. If approved, ORS recommends requiring the Parties to file amended territorial assignment maps for Calhoun, Lexington, and Richland Counties to reflect the modifications requested in the Joint Petition.

If you have any questions, please do not hesitate to contact me.

Sincerely,

Encl.

cc:

J. David Black, Esquire (via Email) Matthew W. Gissendanner (via Email)